SENATE BILL No. 193

By Committee on Assessment and Taxation

AN ACT concerning sales taxation; relating to food sales tax refunds, information required in support of claim; income tax returns, social security numbers; amending K.S.A. 79-32,111a and 79-3637 and K.S.A. 2010 Supp. 79-3221 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

New Section 1. Except as otherwise provided, no deduction or credit provided under the Kansas income tax act, and amendments thereto, shall be allowed any individual who fails to provide a valid social security number issued to such individual, the individual's spouse and dependents of the individual for purposes of section 205 (c)(2)(A) of the social security act on such individual's Kansas income tax return as the identifying number for such individual for tax purposes. The provisions of this section shall not apply to the credit provided by K.S.A. 79-32,111, and amendments thereto.

Sec. 2. K.S.A. 2010 Supp. 79-3221 is hereby amended to read as follows: 79-3221. (a) All returns required by this act shall be made as nearly as practical in the same form as the corresponding form of income tax return by the United States. Unless another identifying number has been assigned to an individual by the internal revenue service for purposes of filing such individual's federal income tax return, the social security number issued to an individual, the individual's spouse, and all dependents of such individual for purposes of section 205 (c)(2)(A) of the social security act shall be used as the identifying number and included on the return when filing such return.

(b) All returns shall be filed in the office of the director of taxation on or before the 15th day of the fourth month following the close of the taxable year, except as provided in subsection (c) hereof. Tentative returns may be filed before the close of the taxable year and the estimated tax computed on such return, paid, but no interest will be paid on any overpayment of tax liability, computed on such tentative return.

(c) The director of taxation may grant a reasonable extension of
time for filing returns in accordance with rules and regulations of the
secretary of revenue. Whenever any such extension of time to file is
requested by a taxpayer and granted by the director with respect to
any tax year commencing after December 31, 1992, no penalty
authorized by K.S.A. 79-3228, and amendments thereto, shall be
imposed if 90% of the liability is paid on or before the original due
date.

(d) In the case of an individual serving in the armed forces of the
United States, or serving in support of such armed forces, in an area
designated by the president of the United States by executive order as
a "combat zone" as defined under 26 U.S.C. § 112 at any time during
the period designated by the president by executive order as the
period of combatant activities in such zone for the purposes of such
section, or hospitalized as a result of injury received or sickness
incurred while serving in such an area during such time, the period of
service in such area, plus the period of continuous qualified
hospitalization attributable to such injury or sickness, and the next
180 days thereafter, shall be disregarded in determining, under article
32 of chapter 79 of the Kansas Statutes Annotated, and amendments
thereo, in respect of any tax liability, (including any interest,
penalty, additional amount, or addition to the tax,) of such individual:

(1) Whether any of the following acts was performed within the
time prescribed therefor: (A) Filing any return of income tax; (B)
payment of any income tax or installment thereof; (C) filing a notice of
appeal with the director of taxation or the state court of tax appeals
for redetermination of a deficiency or for a review of a decision
rendered by either the director or the state court of tax appeals; (D)
allowance of a credit or refund of any income tax; (E) filing a claim for
credit or refund of any income tax; (F) bringing suit upon any such
claim for credit or refund; (G) assessment of any income tax; (H)
giving or making any notice or demand for the payment of any income
tax, or with respect to any liability to the state of Kansas in respect of
any income tax; (I) collection, by the director of taxation or his or her
the director's agent, by warrant, levy or otherwise, of the amount of
any liability in respect to any income tax; (J) bringing suit by the state
of Kansas, or any officer on its behalf, in respect to any liability in
respect of any income tax; and (K) any other act required or
permitted under the Kansas income tax act specified in rules and
regulations adopted by the secretary of revenue under this section;

(2) The amount of any credit or refund.

(e) (1) Subsection (d) shall not apply for purposes of determining
the amount of interest on any overpayment of tax.

(2) If an individual is entitled to the benefits of subsection (d)
with respect to any return and such return is timely filed. (determined
after the application of subsection subsection (d), subsections (e)
(5) and (e)(7) of K.S.A. 79-32,105, and amendments thereto, shall not
apply.

(f) The provisions of subsection (d) and the subsequent subsections
of this section subsection (d) through (j) shall apply to the spouse of any
individual entitled to the benefits of subsection (d). Except in the case
of the combat zone designated for purposes of the Vietnam conflict, the
preceding sentence this subsection shall not cause subsection (d) and the
subsequent subsections of this section subsection (d) through (j) to apply
for any spouse for any taxable year beginning more than two years
after the date designated under 26 U.S.C. § 112, and amendments
thereto, as the date of termination of combatant activities in a combat
zone.

(g) The period of service in the area referred to in subsection (d)
shall include the period during which an individual entitled to benefits
under subsection (d) is in a missing status, within the meaning of 26

(h) (1) Notwithstanding the provisions of subsection (d), any
action or proceeding authorized by K.S.A. 79-3229, and amendments
thereto, as well as any other action or proceeding authorized by law in
connection therewith, may be taken, begun or prosecuted. In any
other case in which the secretary determines that collection of the
amount of any assessment would be jeopardized by delay, the
provisions of subsection (d) shall not operate to stay collection of such
amount by levy or otherwise as authorized by law. There shall be
excluded from any amount assessed or collected pursuant to this
subsection the amount of interest, penalty, additional amount, and
addition to the tax, if any, in respect of the period disregarded under
subsection (d). In any case to which this paragraph subsections relates,
if the secretary is required to give any notice to or make any demand
upon any person, such requirement shall be deemed to be satisfied if
the notice or demand is prepared and signed, in any case in which the
address of such person last known to the secretary is in an area for
which United States post offices under instructions of the postmaster
general are not, by reason of the combatant activities, accepting mail
for delivery at the time the notice or demand is signed. In such case
the notice or demand shall be deemed to have been given or made
upon the date it is signed.

(2) The assessment or collection of any tax under the provisions of
article 32 of chapter 79 of the Kansas Statutes Annotated, and
amendments thereto, or any action or proceeding by or on behalf of the
state in connection therewith, may be made, taken, begun or
prosecuted in accordance with law, without regard to the provisions of subsection (d), unless prior to such assessment, collection, action or proceeding it is ascertained that the person concerned is entitled to the benefits of subsection (d).

(i) (1) Any individual who performed Desert Shield services, (and the spouse of such individual), shall be entitled to the benefits of subsection (d) and the subsequent subsections of this section subsections (d) through (j) in the same manner as if such services were services referred to in subsection (d).

(2) For purposes of this subsection, the term "Desert Shield services" means any services in the armed forces of the United States or in support of such armed forces if:

(A) Such services are performed in the area designated by the president as the "Persian Gulf Desert Shield area"; and

(B) such services are performed during the period beginning on August 2, 1990, and ending on the date on which any portion of the area referred to in subparagraph (A) subsection (i)(2)(A) is designated by the president as a combat zone pursuant to 26 U.S.C. § 112.

(j) For purposes of subsection (d), the term "qualified hospitalization" means:

(1) Any hospitalization outside the United States; and

(2) any hospitalization inside the United States, except that not more than five years of hospitalization may be taken into account under this paragraph subsection. This paragraph subsection shall not apply for purposes of applying subsection (d) and the subsequent subsections of this section subsections (d) through (j) with respect to the spouse of an individual entitled to the benefits of subsection (d).

Sec. 3. K.S.A. 79-32,111a is hereby amended to read as follows:

79-32,111a. (a) There shall be allowed as a credit against the tax liability of a resident individual imposed under the Kansas income tax act an amount equal to 25% of the amount of the credit allowed against such taxpayer's federal income tax liability pursuant to 26 U.S.C. § 21 for the taxable year in which such credit was claimed against the taxpayer's federal income tax liability.

(b) The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by K.S.A. 79-32,110, and amendments thereto, reduced by the sum of any other credits allowable pursuant to law.

(c) No credit provided under this section shall be allowed any individual who fails to provide a valid social security number issued by the social security administration, to such individual, the individual's spouse and every dependent of the individual.

New Section 1. New Sec. 4. (a) No claim for refund under the
provisions of K.S.A. 79-3620 and 79-3632 through 79-3639, and
amendments thereto, shall be allowed any claimant who fails to provide a
valid social security number issued by the social security administration
for the claimant, every household member and every dependent child.
(b) The provisions of this section shall be part of and supplemental to
the provisions of K.S.A. 79-3620 and 79-3632 through 79-3639, and
amendments thereto.

Sec. 2. K.S.A. 79-3637 is hereby amended to read as follows: 79-
3637. Every claimant for the refund of taxes under the provisions of
K.S.A. 79-3620 and 79-3632 to 79-3639, and amendments thereto, shall
supply to the division in support of a claim, a valid social security number
issued by the social security administration for each claimant, every
household member and every dependent child, a clear statement as to
whether such claimant qualifies for a refund under the provisions of
subsection (a)(1), (a)(2) or (a)(3), (c)(1), (c)(2) or (c)(3) of K.S.A. 79-3633,
and amendments thereto, reasonable proof of age or disability, and
household income. A claim alleging disability shall be supported by a
report of the examining physician of the claimant with a statement or
certificate that the applicant has a disability within the meaning of
subsection (f) of K.S.A. 79-3633, and amendments thereto.

Sec. 3. K.S.A. 79-32,111a and 79-3637 are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its
publication in the statute book.